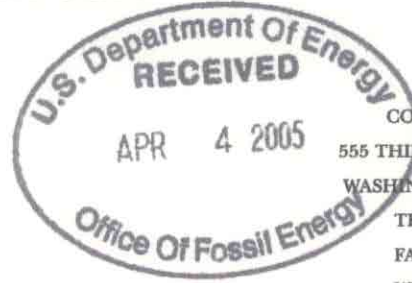


EA-178-B

HOGAN & HARTSON

L.L.P.

Writers Direct Dial
202/637-6430



COLUMBIA SQUARE
555 THIRTEENTH STREET, NW
WASHINGTON, DC 20004-1109
TEL (202) 637-5600
FAX (202) 637-5910
WWW.HHLAW.COM

April 4, 2005

BY HAND DELIVERY

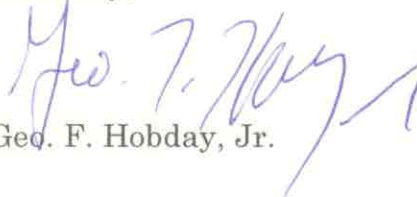
Mr. Anthony J. Como
Director, Office of Coal and Electricity
U.S. Department of Energy
Forrestal Building, FE-52
1000 Independence Avenue, S.W.
Washington, D.C. 20585-0350

Re: Application of Edison Mission Marketing & Trading, Inc. for Renewed Authorization to Transmit Electric Energy to Mexico

Dear Mr. Como:

Enclosed for filing on behalf of Edison Mission Marketing & Trading, Inc. are an original and fifteen conformed copies of the Application of Edison Mission Marketing & Trading, Inc. for Renewed Authorization to Transmit Electric Energy to Mexico. In accordance with 10 C.F.R. § 205.309, also enclosed is a check in the amount of \$500.00 payable to the Treasurer of the United States. A copy of the Application has been served upon the Secretary of the Federal Energy Regulatory Commission.

Sincerely,


Geo. F. Hobday, Jr.

Enclosures

**UNITED STATES OF AMERICA
BEFORE THE
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY**

Edison Mission Marketing & Trading, Inc.) Docket No. EA- 178-B

**APPLICATION OF EDISON MISSION MARKETING & TRADING, INC.
FOR RENEWED AUTHORIZATION TO
TRANSMIT ELECTRIC ENERGY TO
MEXICO**

Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. 824a(e), and the Department of Energy ("DOE") regulations contained in 10 C.F.R. § 205.300, et seq., Edison Mission Marketing & Trading, Inc. ("EMMT" or the "Applicant") hereby submits this Application for renewed authorization to transmit electric energy from the United States to Mexico for a period of five years. The DOE granted EMMT's predecessor, Citizens Power Sales, LLC ("CP Sales"), export authorization for Mexico on May 29, 1998, in Docket No. EA-178. DOE granted CP Sales a renewed export authorization for Mexico on May 3, 2000 in Docket No. EA-178-A. Subsequently, EMMT's parent, Edison Mission Energy, acquired CP Sales as part of a transaction approved by the Federal Energy Regulatory Commission ("FERC") on July 3, 2000. ^{1/} Edison Mission Energy's acquisition of CP Sales was effected through

^{1/} P&L Coal Holdings Corporation, et al., 92 FERC ¶ 62,001 (2000).

a two-step transaction consummated on August 31, 2000. In that transaction, CP Sales merged with EMMT, with EMMT as the surviving entity providing service using CP Sales' existing licenses, permits, authorizations, and rate schedules. EMMT has transacted under CP Sales' export authorization since that date. The export authorization granted in Docket No. EA-178-A expires on May 3, 2005 and EMMT now wishes to renew that authorization.

In accordance with Section 205.302 of the regulations, the Applicant represents as follows:

(a) Legal Name of the Applicant:

The exact legal name of the Applicant is Edison Mission Marketing & Trading, Inc. The FERC authorized EMMT to engage in wholesale electric power and energy transactions as a power marketer on January 28, 1999. See Edison Mission Mktg. & Trading, 86 FERC ¶ 61,072 (1999). EMMT, as a power marketer, buys and sells power for its own account at wholesale pursuant to voluntary contracts with its suppliers and its customers.

(b) Legal Name of All Partners:

Not applicable.

(c) Persons to Whom Correspondence in Regard to this

Application Shall Be Addressed:

Joseph C. Bell
Jolanta Sterbenz
Geo. F. Hobday, Jr.
Hogan & Hartson L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004-1109
(202) 637-5600

Robert F. Viola, Counsel
Edison Mission Marketing & Trading, Inc.
160 Federal Street
Boston, Massachusetts 02110-1776
(617) 912-6256
RViola@edisonmission.com

Karen A. Bell, Assistant Counsel
Edison Mission Marketing & Trading, Inc.
160 Federal Street
Boston, Massachusetts 02110-1776
(617) 912-5982
KBell@edisonmission.com

(d) State of Incorporation:

EMMT is incorporated in the state of California.

(e) Government Agencies Having Jurisdiction:

EMMT does not know of any other Federal, State, or local agency that has jurisdiction over the actions to be taken under the authorization sought in this Application.

(f) Description of the Transmission Facilities:

EMMT intends to wheel power over the existing cross-border facilities between the United States and Mexico. Appendix "C" to this Application provides the location of those facilities, their Presidential Permit numbers, as well as other identifying information. As explained below, EMMT will comply with the terms and conditions contained in the export authorizations issued for those cross-border facilities as well as other export

limitations that the DOE may deem appropriate for those facilities, consistent with DOE orders authorizing electricity exports by power marketers. 2/

(g) Technical Discussion of the Proposed Export of Energy:

Section 205.302(g) requires a showing that the proposed export:

(i) will not have an adverse impact on the exporter's reliability, fuel use and system stability; (ii) will not impair the sufficiency of electric supply on the exporter's system; and (iii) will not impede or tend to impede regional coordination of electric utility planning or operation. 3/

2/ See, e.g., Enron Power Marketing, Inc., FE Docket No. EA-102 (Feb. 6, 1996) (blanket authorization to export to Mexico); NorAm Energy Services, Inc., FE Docket No. EA-105 (May 30, 1996) (blanket authorization to export to Mexico); and Destec Power Services, Inc., FE Docket No. EA-113 (May 31, 1996) (blanket authorization to export to Mexico).

3/ Section 202(e) of the FPA provides that:

[N]o person shall transmit any electric energy from the United States to a foreign country without first having secured an order from the Commission authorizing it to do so. The Commission shall issue such order upon application unless . . . it finds that the proposed transmission would impair the sufficiency of supply within the United States or would impede the coordination in the public interest of facilities subject to the jurisdiction of the Commission.

16 U.S.C. § 824a(e).

1. Sufficiency of Supply

EMMT does not own or control any electric generation or transmission facilities and it does not have a franchised service area. 4/ Accordingly, it does not have any supply obligations other than those for which it has contracted. The power to be exported by EMMT will be purchased from electric utilities, Federal power marketing agencies, and other entities having authority to sell power to EMMT. EMMT's power contracts with those entities provide for voluntary purchases and sales of surplus power that is not needed to meet the supplier's supply obligations to retail or wholesale customers. "Because [a power marketer such as EMMT] has no native load obligations and because the electric power purchased by [the marketer] for export . . . would be surplus to the needs of the entities selling power to [it], such exports would not impair the sufficiency of electric supply within the United States." 5/

2. Reliability and Regional Coordination

In orders involving electricity exports by power marketers, the DOE acknowledged that, as a general proposition, "it is neither possible nor appropriate to look behind an export and consider the reliability impacts of

4/ Although EMMT does not own or control any electric generation facilities, EMMT does perform certain dispatching and unit sales for its affiliates, EME Homer City Generation, L.P. and Midwest Generation, LLC.

5/ Enron Power Marketing, Inc., mimeo at 6.

delivering power purchased from other sources onto the exporter's system." 6/

With respect to exports by power marketers, a traditional reliability analysis is made further impracticable by the fact that a power marketer does not own any physical system to which power products may be delivered. 7/ Once the energy exported by the power marketer arrives at a cross-border transmission system, however, the impact on reliability is "the same as that for exports which are supplied from the system power of that border system." 8/

Accordingly, "the DOE need not perform additional reliability assessments as long as the maximum rate of transmission for all exports through a border system does not exceed the previously authorized export limits." 9/ Consistent with this approach, EMMT will abide by the export limits contained in the export authorizations for the facilities identified in Appendix "C" as well as other applicable export limits.

The regional coordination concerns are also limited. For electricity to be exported, a power marketer must obtain sufficient transmission access to wheel the electricity from the generating source to the border and must

6/ Id. at 4; North American Energy Conservation, Inc., mimeo at 4; Destec Power Services, Inc., mimeo at 3; NorAm Energy Services, Inc., mimeo at 4.

7/ Enron Power Marketing, Inc., mimeo at 4.

8/ Id. at 5.

9/ North American Energy Conservation, Inc., mimeo at 5; Aquila Energy Marketing Corp., Order No. EA-148-A, mimeo at 2 (Aug. 11, 1999).

schedule the transactions with the appropriate control areas. 10/ As of July 9, 1996, transmission transactions are subject to FERC's Order No. 888, which mandates non-discriminatory open access services. 11/ In recognition of the significance of reliability and security-related issues, the Order expressly permits the transmission provider to interrupt any service, whether firm or non-firm, which "impairs or degrades the reliability of its transmission system." 12/ In the post-Order No. 888 environment, the transmission provider must thus continue to assess the reliability impacts of moving the electricity through its facilities and has full control over third-party transmission as necessary to maintain reliability. Transmission providers will presumably agree to provide service only if such service does not cause reliability problems on their systems. 13/

Although the transmission provider would already have to satisfy any reliability-related requirements, the DOE has mandated that the power marketer itself comply with all reliability criteria, standards, and guides of the

10/ Enron Power Marketing, Inc. at 6.

11 Promoting Wholesale Competition Through Open Access Non-Discriminatory Transmission Services by Public Utilities and Recovery of Stranded Costs by Public Utilities and Transmitting Utilities, FERC Stats. & Regs., Regulations Preambles ¶ 31,036 (1996), order on reh'g, FERC Stats. & Regs., Regulations Preambles ¶ 31,048 (1997).

12/ Id. mimeo at 335.

13/ Enron Power Marketing, Inc., mimeo at 6.

North American Electric Reliability Council ("NERC"), NERC Regional Councils, and independent system operators. 14/ EMMT will abide by such criteria, standards, and guides.

(h) Verification:

The signed verification of Robert F. Viola, Counsel for Edison Mission Marketing & Trading, Inc. and an authorized representative of EMMT is attached to this Application as Appendix "A."

Pursuant to 10 C.F.R. § 205.303, EMMT also provides the following exhibits:

Exhibit A Agreements

Not applicable.

Exhibit B Opinion of Counsel

(Attached as Appendix "B").

Exhibit C Maps

EMMT understands that the DOE files contain appropriate maps for the border crossing points identified in Appendix "C" of this Application. Accordingly, EMMT respectfully requests that the DOE waive the requirement of Section 205.303(c) that EMMT provide maps of these facilities.

Exhibit D Residency and Principal Office Statement

EMMT's principal office is within the United States. Therefore, no domestic agent is required.

14/ Id.; North American Energy Conservation, Inc., mimeo at 6; NorAm Energy Services, Inc., mimeo at 5; Destec Power Services, Inc., mimeo at 3-4.

Exhibit E Corporate Relationship/Existing Contract Statement

EMMT does not have a corporate relationship or existing contract with any person, corporation, or foreign government, which in any way relates to the control or fixing of rates for the purchase, sale or transmission of electric energy, other than contracts that are subject to the jurisdiction of the FERC.

Exhibit F Operating Procedures

As explained above, the electric energy purchased by EMMT within the United States is surplus to the supplying entities. EMMT respectfully requests that the DOE waive the requirement in Section 205.303(f) that EMMT provide an explanation of the methodology for informing neighboring utilities that electricity is available for export. The DOE has granted similar requests by other power marketers consistent with its position that rigid export filing requirements are impractical. 15/

Pursuant to the requirements of 10 C.F.R. § 205.309, a copy of this Application is being provided to:

Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Dockets Room, Room 1A
Washington, DC 20426

A check in the amount of \$500.00 for the required filing fee is enclosed.

15/ See e.g., Enron Power Marketing, Inc., mimeo at 5 & n.3.

WHEREFORE, in consideration of the foregoing EMMT respectfully requests that this Application be considered on an expedited basis and be approved.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Paul D. Jacob', is written over a horizontal line.

Paul D. Jacob, President
Edison Mission Marketing & Trading, Inc.

April 4, 2005

VERIFICATION

COMMONWEALTH OF MASSACHUSETTS

COUNTY OF SUFFOLK

)
)

)

Paul D. Jacob, being first duly sworn, states that he is an authorized representative of Edison Mission Marketing & Trading, Inc.; that he is authorized to execute this Verification; that he has read the above and foregoing document and is familiar with the contents thereof; and that all allegations of fact therein contained are true and correct to the best of his knowledge and belief.



Paul D. Jacob, President
Edison Mission Marketing & Trading, Inc.

SUBSCRIBED AND SWORN to before me this _____ day of April,
2005.

SEE ATTACHED MASSACHUSETTS JURAT.

Notary Public

My Commission Expires:

MASSACHUSETTS JURAT

Gov. Exec. Ord. #455 (03-13), §5(e)

Commonwealth of Massachusetts

County of SUFFOLK

} ss.

On this the 1ST day of APRIL, 2005, before me,MICHAEL W. MARINO

Name of Notary Public

personally appeared PAUL D. JACOBS,

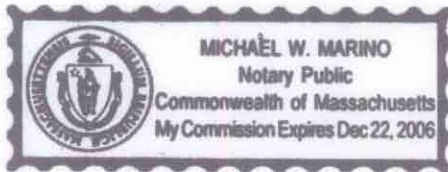
Name(s) of Signer(s)

proved to me through satisfactory evidence of identity, which was/were

PERSONALLY KNOWN TO NOTARY

Description of Evidence of Identity

to be the person(s) whose name(s) was/were signed on the preceding or attached document in my presence, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his/her/their knowledge and belief.

[Signature]
Signature of Notary PublicMICHAEL W. MARINO
Printed Name of Notary

Place Notary Seal and/or Any Stamp Above

My Commission Expires DEC 22, 2006**OPTIONAL**

Although the information in this section is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached DocumentTitle or Type of Document: APPLICATION TO TRANSMIT BROCHURE TO MEXICODocument Date: April 1, 2005 Number of Pages: 13

Signer(s) Other Than Named Above: _____

**Right Thumbprint
of Signer**

Top of thumb here

OPINION OF COUNSEL

The following opinion is given in support of the Application of Edison Mission Marketing & Trading, Inc. for Renewed Authorization to Transmit Electric Energy to Mexico.

1. I am an attorney at law, authorized to practice law in the Commonwealth of Massachusetts;
2. I am Counsel of Edison Mission Marketing & Trading, Inc.;
3. Edison Mission Marketing & Trading, Inc. is a corporation, validly existing and in good standing under the laws of the State of California and is authorized to do business in the Commonwealth of Massachusetts;
4. Edison Mission Marketing & Trading, Inc. has full corporate power and authority to engage in exports of electric energy as requested in the Application;
5. Edison Mission Marketing & Trading, Inc. has complied or is in the process of complying with all Federal and state laws regarding the matters contemplated in the Application.



Robert F. Viola, Counsel
Edison Mission Marketing & Trading, Inc.

April 1, 2005

CROSS-BORDER FACILITIES

<u>LOCATION</u>	<u>VOLTAGE</u>	<u>OWNER</u>	<u>PRESIDENTIAL PERMITS</u>
Eagle Pass, TX	138 kV	Comision Federal de Electricidad	PP-50
Laredo, TX	138 kV	Comision Federal de Electricidad	PP-57
Falcon Dam, TX	138 kV	Comision Federal de Electricidad	N/A *
Brownsville, TX	138 kV	Central Power & Light	PP-94
	69 kV	Central Power & Light	
Ascarate, TX	115 kV	El Paso Electric	PP-48
Diablo, NM	115 kV	El Paso Electric	PP-92
Miguel, CA	230 kV	San Diego Gas & Electric	PP-68
Imperial Valley, CA	2-230 kV	San Diego Gas & Electric	PP-79

* A permit was not issued for the Falcon Dam line – the line was constructed as a result of an international treaty.